



Damaged Carrier Pipe near Ashley Tunnel Cave-In

### **Case Study: Charleston, South Carolina**

Before 1970, wastewater treatment in Charleston was non-existent. Untreated wastewater was discharged into Charleston Harbor, severely polluting the region's rivers and killing fish. That prompted legislation requiring municipalities to treat wastewater before it was discharged.

Now, the Charleston Water System is replacing the 35-year-old Peninsula tunnel system that carries the city's wastewater. In 1998, the City Council approved a \$15 million bond issue to pay for the project.

The project was estimated at more than \$100 million. Charleston Water devised a funding plan of low-interest 30-year revenue bonds and \$2.5 million in federal funding. Another \$95 million will come from increased water and sewer rates and water impact fees.

Rates were increased in 2004 and 2006, but Charleston residents could be facing more. The City has applied for federal funding, but isn't waiting. They believe it's more important to stay ahead of growth-related projects and projects driven by new regulations. Charleston Water hopes to convince residents to continue to invest in the city's future.